GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:261
ANSWERED ON:07.12.2001
LOANS TO UNEMPLOYED YOUTHS
SANJAY PASWAN

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have recently issued any directives to the Public Sector Banks to discourage advancing loans below one lakh rupees to needy poor persons/unemployed youths;

(b) if so, the details thereof;

(c) the targets fixed for providing such loans to the above category of persons in each State during each of the last three years;

(d) the actual targets achieved in these States;

(e) whether rigid attitude of these nationalized banks and the corruption prevalent in the grant of loans, have discouraged the unemployed youths in particular to go in for self-employment;

(f) if so, the remedial measures taken/proposed to be taken by the Government in this regard;

(g) the number of applications pending in these banks pertaining to Bihar under various self-employment schemes; and

(h) the steps taken by these banks for early clearance of these applications?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) to (h) A Statement is laid on the Table of the House.

(a) No, Sir.

(b) Does not arise.

(c) and (d) Banks provide loans to unemployed youths including needy poor under various schemes such as Prime Minister Rojgar Yojana (PMRY), Swarnajayanati Gram Swarojgar Yojana (SGSY) and Swarna Jayanati Shahari Rojgar Yojana (SJSRY). The State-wise targets and ach evement under PMRY and SJSRY (or the year ended March, 1999,2000 and 2001 are given in Annexure-I and Annexure-II. The SGSY scheme was started w.e.f. 1.4.1999. The targets and achievements under the scheme for the year ending March` 2000, 2001 and for the year 2001-02 (upto,1st October, 2001) are given in Annexure-III. Loans are also being provided to weaker sections under Differential Rate of Interest (DRI) Scheme for enabling them to take up productive and gainful activities. Further under the Scheme of Liberation and Rehabilitation of Scavengers (SLRS) assistance is provided to liberate and rehabilitate scavengers and to provide them with alternate dignified occupation. The State-wise information in respect of SLRS scheme for the year ended 31st March` 2000 and 2001 is given in Annexure-IV.

(e) and (f) Committee have been constituted at the State/District level and in RBI where implementation of these schemes and redressal of grievances is regularly monitored. Instances of delay in sanction/disbursements due to procedural bottlenecks are being addressed by these forums.

(g) According to RBI, 1463 applications were pending as on 30th Sept., 2001 in Bihar under the PMRY scheme and 2682 applications were pending as on 30th March, 2001 under SGSY.

(h) RBI periodically advises Banks to ensure that applications are disposed of within the prescribed time limit. RBI has instructed the Banks to dispose of the applications, received under PMRY, upto Rs. 25,000/-within a fortnight and for over Rs. 25,000/- within 8-9 weeks. The cases relating to SJSRY and SGSY are being promptly taken up on case-to-case basis.